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AGRICULTURAL MARKETING



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FOOD RETAILER
LOOKS TO PACA

MENU IDEAS *TAKE WING*

Broiler-fryers can be the homemaker's solution to menu problems—they're so versatile and easy to prepare.

By Violet Crosby

POLYNESIAN, ITALIAN-STYLE, curried, barbecued, or southern fried—broiler-fryer chickens are one of the busy homemakers' best friends. They are easy and quick to prepare . . . and their delicate, mild flavor makes it possible to prepare them in an unlimited number of ways.

But no matter how you choose to serve them, you are sure to please your family because chicken is one of our most popular foods — for young and old alike.

And you can be assured that they are wholesome when you buy the ones with the round mark of Federal inspection on the package. This important mark — provided by the U.S. Department of Agriculture's Consumer and Marketing Service — means that the chicken is safe to eat, not adulterated and has been processed under strict sanitation requirements. It also means that the

chicken is truthfully labeled.

Not all chickens on the market are federally inspected — only those processed by plants which sell across State lines, or about 87 per cent of the commercial production. So, put your mind at ease and look for the Federal inspection mark when you buy.

What can you do with chicken? What can't you do with it would be a better question. You can bake it, broil it, broast it, fry it, braise it, barbeque it, stuff it or stew it. Or, try cooking chicken parts in vegetable casseroles with potatoes, creamed corn, spinach, broccoli, green beans, mushrooms or tomatoes. And ah . . . that Coq au Vin. Add the gourmet touch with spices, wines, fruits, vegetables, stuffings, marinades and cheeses.

And don't forget those extra servings of leftover chicken. They're perfect for salads, sandwiches, cas-

seroles, a la kings, curries, croquettes, souffles, pies and various fillings. Some even say they're great on pizza.

Today's broiler-fryers, marketed at 8-12 weeks of age, are tender and juicy. Whether you buy them whole, in halves, quarters, or parts . . . in the fresh or frozen form . . . there is a kind for every taste and occasion.

But to be an informed chicken shopper you need to know what the label means on the chicken you buy.

Federally inspected chicken labeled as "fresh" must not be sold in a frozen state; that labeled as "frozen" must be frozen under supervision of C&MS officials.

And federally inspected chicken labeled as "quick frozen," "fresh frozen," or "frozen fresh" must be put into a freezer promptly after chilling. Once in the freezer these chickens must reach an internal temperature of zero degrees. When you buy U.S. inspected "fresh frozen"

ORVILLE L. FREEMAN
Secretary of Agriculture

S. R. SMITH, Administrator
Consumer and Marketing Service

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Cover Story

Retail foodstore operators who deal in fruits and vegetables must, in many cases, be licensed under the Perishable Agricultural Commodities Act, a code of good business practices for the produce industry. More on page 7.

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Reference to commercial products and services does not imply endorsement or discrimination by the Department of Agriculture.

chicken you are assured that the chicken was processed under ideal conditions — which preserve their original fresh quality.

You may also find the USDA shield-shaped grade mark which shows that the chicken has been graded for quality. Chickens marked "USDA Grade A" are of the highest quality whether fresh or frozen. All graded chickens must be inspected, but not all inspected chickens are graded.

To make sure you are getting the best flavor from your chicken, use the fresh chickens within two days after purchase unless you freeze it in your home. Frozen chickens can be stored up to 12 months in a 0 degree freezer.

In thawing frozen chickens or chicken parts, remember — it is best to thaw them in the refrigerator for 1 to 2 days. If they need to be thawed on short notice, place them in a water tight plastic bag in a bowl of cold water. Change the water often to hasten thawing. They will generally thaw in about one hour this way.

Cooking and serving today's broiler-fryers is a real joy, even for the novice cook. Ready-to-cook broiler fryers are indeed ready to cook — merely rinse them in cold water, drain and pat dry. If the chicken is to be fried, broiled or oven-browned, make sure it is dry because a wet surface will prevent the chicken from browning properly.

Broiler-fryer parts or cut-up chickens usually take an hour of cooking in a moderate oven; pan-fried, deep fried, or broiled parts cook in 30 to 45 minutes or more depending on the size of the parts.

Frozen chicken parts can also be cooked without thawing. To do this, simply handle them in the same manner as the fresh, except that the cooking time will be longer.

Chicken is done when it is "fork tender," or when the meat on the thickest part of the drumstick is soft to the touch.

Many people overcook chicken, especially the breast, which makes it dry and chewy. When cooking cut-up chickens remember that the breast will cook in a shorter time than the meatier parts like the leg. Give the legs a 10 minute headstart before adding the breast and you will find that the breast will be more juicy and tender.

Chickens labeled as "U.S. Inspected for Wholesomeness" have been processed and handled in a sanitary manner to make sure they are safe to eat. Once you buy them, you too should carry on this protection in your home.

The author is a home economist, Labels and Standards Staff, Technical Services Division, C&MS, USDA.

Fresh and thawed chickens, like other fresh food items, are perishable. Care and cleanliness should be used in preparing, cooking and storing poultry.

Keep frozen chickens frozen until time to thaw, and cook them promptly after thawing. To store fresh chickens, loosen or puncture any air tight wrapping and refriger-

ate; use within 1 to 2 days after purchase.

The care and storage of cooked chicken is just as important to the health of your family as the care of the uncooked chicken. Cooked chicken should be cooled quickly and stored loosely wrapped in the coldest part of the refrigerator. Don't leave it standing at room temperature. Refrigerate stuffing separately.

Any leftover broth or gravy should be refrigerated promptly, and then reheated to boiling before serving. Use cooked poultry, stuffing, broth or gravy within 1 or 2 days. Or, store the chicken with the broth or gravy in a freezer for up to 6 months.

Besides looking good, tasting good, and being so easy to prepare, chicken is good for you. It is an excellent source of body-building protein, and provides substantial amounts of iron, thiamine, riboflavin and niacin.

So serve chicken often . . . and serve it with assurance when you buy the chicken with the mark of Federal inspection. It is your symbol of protection provided by the U.S. Department of Agriculture's Consumer and Marketing Service.

Half of one of these broiled chickens will please the most discriminating appetite.



BUSY '66 PAVES WAY FOR FURTHER PROGRESS IN '67

THE U.S. DEPARTMENT OF Agriculture's Consumer and Marketing Service turned 1966 into a record-setting year in the spread of consumer food programs and in other activities in C&MS' four major program areas.

Details of C&MS' 1966 accomplishments appear here in a collection of yearend roundups.

SCHOOL LUNCH-CHILD NUTRITION

Far-reaching progress was made during 1966 toward establishing the legislative authority for closing the nutrition gap among U.S. school children.

Under the Child Nutrition Act of 1966 children at some schools have already started getting breakfasts. The pilot program is expected to reach over 100,000 youngsters this school year, or about 1 out of every 500 children enrolled in elementary and secondary schools.

C&MS is working with State education agencies to make effective use of the \$2 million appropriated for the pilot breakfast programs. A new peak of 19 million children, or 38% of the total pupils in grade schools and high schools, ate nutritious low-cost lunches in 71,000 schools with the help of the National School Lunch Program.

Thousands of children in poverty-stricken areas obtained school lunches free or at minimal cost through a \$2 million appropriation for special assistance under Section 11 of the National School Lunch Act.

An appropriation of \$750,000 under the Child Nutrition Act has made it possible to start this year on a program of Federal assistance to help some of the schools in low-income areas buy food service equipment.

FOOD ASSISTANCE PROGRAMS

USDA's Food Stamp and family food donations programs for low-income families are more widely available in the U.S. than ever before.

All 50 States and the District of Columbia now make one or the other of USDA's family food-assistance programs available to low-income families in some of their counties and cities.

Taking advantages of these programs in December 1966 were 2,124 communities compared with 2,044 for December 1965. One person out of every 40 in the U.S. was getting food aid from either the Food Stamp Program or distribution of commodities to needy families.

At the end of 1966, the Food Stamp Program was functioning in 477 areas in 41 States and D.C. with an estimated 1.3 million participants.

In December, the food donation program was helping low-income families in 1,543 counties and 104 cities. The latest participation figures stood at 3.7 million.

MEAT AND POULTRY INSPECTION

Meat and poultry products produced by plants which sell any part of their production across State lines or in foreign trade must be Federally-inspected for wholesomeness.

The USDA inspected 28.5 billion pounds of red meats (carcass weight) plus one or more reinspections adding up to 19.2 billion pounds of meats processed into hams, frankfurters, sausage, and other convenience foods.

Poultry slaughtered under Federal inspection for wholesomeness totaled 9.9 billion pounds live weight; 2.7 billion pounds of this (live

weight equivalent) was reinspected in further processing it into convenience foods.

GRADE STANDARDS

New or revised standards for a variety of farm products were issued during 1966 by USDA's Consumer and Marketing Service. They provide uniform, nationally understood measures of food quality. For example, last year new standards enabled consumers for the first time to buy U.S. Grade A boneless poultry roasts and three U.S. grades of mixed nuts in the shell.

Other foods for which C&MS issued new or revised standards in 1966 include swiss cheese, blueberries, okra for processing, topped carrots, greenhouse tomatoes, fresh plums and prunes, nectarines, mushrooms, green olives, dried currants, raisins, dried prunes, frozen concentrated orange juice, frozen french fried potatoes, and fresh free-stone peaches for canning, freezing or pulping.

C&MS also added "micronaire" as a grade factor in cotton standards, issued the first standards for condition of food containers, issued standards for feeder pigs, issued new "yield grades" for slaughter cattle, revised standards for grease wool; and developed standards for the manufacture of frozen desserts for adoption by State regulatory agencies.

GRADING

C&MS each year checks the quality of a large part of the Nation's food supply. Last year, this included the grading of nearly two-thirds of all the poultry and meat production (excluding pork)—higher percentages

than ever before. In addition, C&MS graded, or supervised the grading of, one-third of the butter, cheese, and nonfat dry milk; one-fourth of the shell eggs; over three-fourths of the frozen and almost half of the canned fruits and vegetables; most of the grain that moved in commercial channels; nearly all of the cotton; and all of the tobacco sold at auction—plus enough fresh fruits and vegetables — 1.6 million carlots — to fill a railroad train 13,000 miles long.

MARKET NEWS

C&MS helps to assure a reliable supply of foods in the Nation's grocery stores through its Federal-State market news service, which keeps the food trade informed on daily prices and supplies across the country.

Four major new reports on trade in livestock and meat products were among the innovations and changes C&MS made over the past year to help improve market news services.

These include: a daily summary of the carlot meat trade in Iowa and nearby areas where almost one-third of this country's pork and beef is marketed, a daily report on hogs sold directly to Indiana packers, a weekly report on hides and offal sold throughout the country, and a twice-weekly report on Iowa cattle auction sales.

Other new reports started in 1966 were on results of cotton fiber strength tests, potato production in Wisconsin, sweet potato production in eastern North Carolina, and apple and vegetable production in western North Carolina. Improvements included the conversion from "on farm" to "ready-to-cook" prices in reports on broiler sales in Southeast, faster dissemination of actual and estimated cattle slaughter reports, and expansion of mill margin reports for cotton to include up to 60 cloth constructions.

PACKERS AND STOCKYARDS

USDA's Packers and Stockyards Division set another all-time record in 1966 for services provided to the

Nation's livestock, meat, and poultry industries, and to consumers.

The Packers and Stockyards Division received nearly 6,000 complaints of P&S violations in fiscal 1966, 25 percent over last year.

Almost 3,700 of these cases were handled informally, with payments to complainants of more than \$1.5 million. Of 562 complaints requiring formal action, 452, the largest number in six years, were settled.

A total of 194 reparations cases, more than twice as many as last year, were settled, awarding reparations of \$182,258.

A series of investigations by the P&S Division revealed that consumers were being misled by deceptive advertising of meat and meat products. Several of these practices have been eliminated through informal or formal actions.

A formal complaint was filed against a nationwide freezer meat supply chain charging "bait and switch" advertising and product misrepresentation. The case is being prosecuted.

Producers were saved an estimated \$360,000 in service charges by P&S Division's rejection of requested tariff increases that could not be justified.

CROP MARKETING ORDERS

Growers of fruit, vegetables, and specialty crops in the U.S. continued during 1966 to put Federal marketing agreement and order programs to work, bringing greater stability and orderliness to marketing.

Forty-eight such programs in effect covered more than \$1½ billion in crops grown in 33 States.

Each program, covering one or more commodities produced in a certain region, is developed by those who grow and handle the crop. The producers must approve the program before USDA can issue it. Once issued, the growers and handlers administer it.

Most of the programs have quality regulations, which keep inferior grades and less desirable sizes of a commodity off the market. Many have quantity regulations, which can prevent gluts and shortages on the market.

PACA SETTLEMENTS

Produce marketing disputes settled as a result of action under the Perishable Agricultural Commodities Act reached a new high during 1966.

The Act establishes a code of fair trading practices in the fresh and frozen fruit and vegetable industry and provides machinery for quickly settling contractual disputes between buyers and sellers.

During the fiscal year, USDA's Consumer and Marketing Service arranged informal settlements in 988 cases — largest number of settlements in ten years. As a result, about \$2½ million was paid to the firms submitting complaints.

USDA issued formal orders in 318 cases, awarding reparations of more than \$1 million.

SEED BUYERS' PROTECTION

Changes in the Federal Seed Act, administered by C&MS, led to improved protection to seed buyers in 1966.

Several amendments, involving sampling techniques for testing imported seeds and use of certain seed by the importer for seed production only, are already effective. Others will become effective after a public hearing on the regulations under the Federal Seed Act.

The Act requires that labels contain all the information needed for successful planting of agricultural, vegetable, and lawn seed.

WAREHOUSE CAPACITY

As the list of warehouses with active licenses under the U.S. Warehouse Act grew, total licensed grain capacity increased by 16 million bushels to 1,428 billion bushels during fiscal year 1966. Licensed cotton storage capacity increased by 526,300 bales to 16,087,199 bales during the year.

The Act provides assurance of safe storage for farm products.

The examination of warehouses federally licensed under the U.S. Warehouse Act, or which store commodities owned by the Commodity Credit Corporation is the responsibility of USDA's Consumer and Marketing Service.

To end food trade barriers:

a progress report

CODEX ALIMENTARIUS COMMISSION

THE UNITED STATES, as a major food exporter and importer, has a vital interest in the standards adopted by the Codex Alimentarius Commission, an international body operating under auspices of the United Nations. International standards could have a marked impact on U.S. shipments both to and from other countries.

Therefore, the U.S. Department of Agriculture stepped up its work in the field of international food standards in 1966.

USDA's role in this area is part of a world-wide effort by the United States and more than 30 other countries to develop international standards for foods. This work is being coordinated by the Codex Alimentarius Commission.

One of several Government agencies working closely with the Commission is USDA's Consumer and Marketing Service, the agency responsible for developing and issuing domestic quality standards for foods.

Much of the work of the Codex Alimentarius Commission is conducted by committees chaired by different countries. The United States chairs three Codex Committees — Processed Fruits and Vegetables, Poultry Meat, and Food Hygiene. In addition, U.S. Government delegates and industry advisors take part in the work of almost all Codex Committees.

The United States and USDA have been actively engaged in the work of the Codex Alimentarius Commission since it was set up in 1962.

Highlight of last year's Codex activity was the 4th General Session of the Codex Alimentarius Commission held in Rome in November. A ten-man delegation from the U.S.—including representatives from USDA's Consumer and Marketing Service, other government agencies, and industry — attended the 2-week meeting. A total of 124 delegates from 35 countries and observers

from 18 international organizations participated. To help everyone understand what was being said, simultaneous translations of all sessions were provided in English, French, Spanish, Russian, and German. In addition, documents presented at the meeting were printed in English, French, and Spanish. Some of the highlights of the meeting include:

* Recommendation by the U.S.—chaired Codex Committee on Processed Fruits and Vegetables that the Commission adopt provisional draft standards for the following canned commodities: sweet corn, applesauce, green beans, wax beans, peaches, and grapefruit. As a matter of procedure, the Commission referred these recommended standards to the various member countries for comment.

* Adoption by the Commission of definitions for the following terms: food, labeling and presentation, label, and container. It is interesting to note that the Commission adopted as the definition of food, "any substance, whether processed, semi-processed or raw, which is intended for human consumption, and includes drink, chewing gum and any substance which has been used in the manufacture, preparation or treatment of 'food', but does not include cosmetics or substances used only as drugs."

* Adoption by the Commission of a procedure which enables it to omit certain steps in the adoption of a food standard if that standard is considered *urgent* and *uncontroversial*. The Commission agreed, however, that the shorter procedure for adopting a given standard would not be honored if any country objected. Ordinarily, before a world-wide standard can finally be published as a Codex standard, it must pass through ten elaborate, and quite precise, steps of consideration by member countries.

* Recommendation by the Codex

Alimentarius Commission that participating countries consider a proposal which will help clarify the meaning of "acceptance" of a Codex standard by member governments. The Commission defined three types of "acceptance":

Full acceptance means that the country concerned will allow free movement of any food, domestic or imported, which meets the requirements of the applicable Codex standard.

Target acceptance means that the country concerned will accept the standard after a stated period of time and in the interim will not interfere with the trade of any food meeting the requirements of the standard.

Acceptance with a declaration of more stringent requirements means that a country will adopt the recommended Codex standard but will also stipulate additional requirements more stringent than the Codex standard provides.

In addition, the Commission also offered a proposal which would enable a government to accept portions of a Codex standard and to notify other countries of its less stringent specifications and requirements, if any.

Certainly 1966 was a year of progress for the Codex Alimentarius Commission. This year promises to be even more rewarding. The U.S.—chaired Codex Committees on Food Hygiene and Processed Fruits and Vegetables will meet in Washington in June. Other Codex Committees, chaired by other countries, will also be meeting during 1967 — in Paris, The Hague, London, Geneva, Ottawa, Rome, Copenhagen, Bergen, and Kulumbach. The United States will continue to work closely with other countries through the framework of the Codex Alimentarius Commission and offer technical assistance in the development of international standards for foods.



THE FOOD RETAILER LOOKS TO PACA

With a system for enforcing contracts, PACA helps the retailer in his produce-buying transactions.

By Wilbur A. Rife

IN THE FAST-MOVING, financially hazardous produce business, you depend on the honesty and good faith of those with whom you trade.

Like others who handle fruits and vegetables, operators of retail food stores can look to the Perishable Agricultural Commodities Act for the guidance and protection they need in their produce-buying transactions.

Called "PACA" for short, the Act sets up a system for enforcing contracts. It doesn't tell buyers and sellers of produce what kind of contract they can make. But it does say that once a contract is made, those involved must carry out their bargain even if the market price for the produce goes up or down.

With a system for enforcing contracts, PACA helps the retailer in his produce-buying transactions.

The tool for upholding PACA is the U.S. Department of Agriculture license required of those who deal in fresh and frozen fruits and vegetables in interstate commerce—including commission merchants, dealers, brokers, and certain retailers. As a means of promoting honest business dealings, USDA can suspend

or revoke a trader's license for such PACA violations as failing to deliver produce according to contract, unjustly rejecting produce purchased, and failing to pay promptly for shipments.

Not all retailers need a license. In fact, most small retailers don't. Currently, some 3,000 retailers are licensed—and these are all operators of the larger supermarkets. A retailer needs a license if:

- The invoice cost of all the fresh and frozen fruits and vegetables he buys during a calendar year is above \$90,000 and

- He buys produce in interstate or foreign commerce in quantities of 2,000 pounds or more during any day. His transactions *would* be in the flow of interstate commerce if any of the produce he buys from local wholesalers is purchased by the wholesalers from outside the State.

If a supplier fails to deliver produce to a retailer in accordance with their contract—causing the retailer to suffer a financial loss—the retailer may make a complaint to USDA's Consumer and Marketing Service.

C&MS has skilled officials who help settle such complaints. Usually complaints are settled on an informal basis, but when necessary, a formal complaint may be filed. They handle many of the complaints by telephone, because the high perishability of produce requires quick action. The same officials are also available to give advice to help buyers and sellers avoid potential contract disputes.

Here's an example of how PACA works:

A retailer contracts with a supplier for a carload of U.S. No. 1 grade potatoes to be delivered on a speci-

fied day and at a specified price. To attract customers, he advertises a special sale in the newspapers and makes other extensive preparations for the sale. But, two days before delivery, he is notified that the supplier doesn't intend to deliver the potatoes unless the retailer agrees to pay a higher price, because the market price has gone up.

The retailer contacts a PACA official of C&MS for help. The official explains to the supplier that failure to deliver is a PACA violation. The official tells the supplier: "If you fail to deliver according to contract, the retailer will have to buy a replacement shipment to meet consumer demand. If that happens, you'll be held liable for any loss the retailer suffers from the breach of contract."

In most cases, the supplier takes the advice and delivers the shipment, which settles the matter. But, if he doesn't, the retailer can recover losses suffered by filing a formal complaint with C&MS and obtaining a reparation order.

Most food retailers who are fully familiar with the law consider the \$42 annual license fee a small price

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to pay for the extensive protection PACA gives them from unfair and fraudulent business practices.

Food retailers can obtain answers to specific questions on PACA by contacting the Regulatory Branch, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D. C. 20250.

What people want to know about CONSUMER FOOD PROGRAMS

These questions were raised by representatives to the 1966 conference of the Professional Agricultural Workers Association, held at Tuskegee Institute. Here are the answers.

WHAT CAN A COUNTY expect in the way of commodities? How much help will this food be in closing the nutrition gap?

A variety of foods probably will continue to be available for donation to needy families, including not only grain and cereal products but protein foods such as meat, peanut butter and nonfat dry milk. The donated foods have never been intended to provide a complete diet — but they do supplement the foods bought by low-income families. And they can help close the nutrition gap to the extent that recipients can be taught and urged to spend their own money on foods that will best round out their diets. Local groups and agencies can make a valuable contribution to the well-being of their community by developing nutrition education programs, which are vital to the process of food aid programs.

If the county does not distribute foods, can my city welfare department do so?

Yes. In numerous instances, family food donation programs are carried out by units of local government other than counties. Most States will permit any city or community to start a distribution program. More information on State policy can be obtained by contacting the agency in the State that acts as the distributing agent for the U.S. Department of Agriculture. Or write to: Commodity Distribution Division, C&MS, U.S. Department of Agriculture, Washington, D.C. 20250.

How can we be sure that eligibles receive all the donated foods they are entitled to?

Usually, the list of available foods and the amounts that each recipient gets is posted in the distribution center. Even if the list is not

posted, the distribution center workers have one available. The total amount of food that a recipient gets, of course, depends upon the number of people in his family, or household. But the kinds of foods and amounts offered must be the same for each eligible person.

The welfare department in the county next to mine is distributing foods. Can a poor family in my county go there and be certified?

While there may be an occasional exception in an emergency, counties generally will not distribute foods to people living outside the county.

Do people who are getting donated food have to take everything that is offered?

No. In fact, most distribution centers have signs urging recipients not to take, and therefore waste, any foods they don't like or can't use.

Can USDA prevent county governments from forbidding the distribution of donated foods to the needy?

It's not that county governments "forbid" food donations — too many of them just don't provide for a program. USDA, of course, has no power over local governmental units, nor should it have. USDA does work closely with State agencies in helping any local government establish a program of food assistance for needy families. And food distribution specialists of the Consumer and Marketing Service will assist and advise local authorities on effective and economical methods of handling and distributing donated foods.

Why aren't more kinds of food available for donation? Since most poor families already have flour, meal and lard, why can't USDA donate fruits, vegetables and meats?

Actually, canned meat and raisins,

for example, along with such nutritious foods as nonfat dry milk, peanut butter, and dry beans are also available to help needy families improve to their diets. If poor families can get flour and meal and lard free, they can spend some of their money for other foods at the grocery store to round out their diets. But there is a practical limit to the variety of foods (especially highly perishable foods) that can be handled through the Federal-State-local distribution system, as well as a practical limit to quantity and kind of foods that can be bought by USDA.

Can people who aren't on welfare get food stamps?

Yes. The Food Stamp Program (and the food donation program, too) is for families whose low income limits their being able to get nutritionally adequate diets. The fact that for practical purposes the program is administered through State and local welfare offices, and that most families receiving public assistance are eligible, frequently leads to misunderstanding about the nature of the program and who may be eligible. In many instances, people not on public assistance may be in even greater need of the food made possible by food stamps than those with a relatively fixed welfare "income."

Can USDA give counties money to help run the food donation program?

No. USDA has no authorization to pay local costs of a food donation program. However, the Office of Economic Opportunity through Community Action agencies has provided some help for local costs.

Would the county jeopardize its chance of entering the Food Stamp Program by distributing donated foods?

The fact that a county is distributing donated foods in no way jeopardizes its chance of changing over to the Food Stamp Program.

USDA will readily supply donated foods for any county to distribute, until the Food Stamp Program can be made available.

Who determines if a family is eligible to get food stamps?

The local offices of the State public assistance agency determine eligibility for the Food Stamp Program. They use standards set by State public assistance (welfare) agencies and approved by U.S.D.A. These are the same welfare agencies and employees experienced in the administration of the several federally-aided public assistance programs.

Why can't families buy fewer stamps if they don't want to spend as much money as USDA says they should? For example, if a family's purchase requirement is \$20 to get \$40 worth of stamps, why can't they spend \$10 and get half as many?

The whole idea of the Food Stamp Program is to give families more and better food to improve diets and health. If they were allowed to participate on a casual, make-your-own-rules basis the purposes of the program would be defeated. In order to be sure that the program brings added food buying power, the money they usually spend for food must be "locked in" to the coupon allotment. The Food Stamp Program is not designed to let families save money on their budget — rather to give them more food for the same money.

Who hires and pays the school lunch manager and workers?

School lunch managers and workers are employees of the school, just as the teachers are, and are paid from local funds. Federal money from either the National School Lunch Act or the Child Nutrition Act can be used only to buy food, and in the case of schools in needy areas, equipment for food service.

Does a school have to get in both the lunch programs or only one? For instance, I know of a school that is

not in the lunch program because it has no equipment to cook and serve food. Could it get into the milk program only? Also, could it get Federal help on equipment?

Schools may have either the lunch program or the milk program; they can, of course have both programs and many do. As for the situation of poor schools with no money for equipment — they may of course have the milk program. It would be best to try to start a lunch program too. First, they should get in touch with their State educational agency. Many States and local communities have already done wonders with above-normal food and cash assistance available through the National School Lunch Program, volunteer help from parents, teachers and friends, and donated equipment. Several hundred shoe-string operations like this have been in the lunch program for two years now and are going strong.

MORE Federal help is on the way, with funds available under the Elementary and Secondary School Education Act for a wide range of school needs, including lunchroom facilities. Also for the first time a limited amount of equipment funds are available this year under the new Child Nutrition Act passed in the fall of 1966. Discuss the possibilities for help with your local school officials or the State Department of Education.

Do we have any examples of breakfast programs being a part of the school lunch program in low-income school districts?

This year a few schools in almost every State have begun serving breakfast as part of a two-year test program, authorized by the Child Nutrition Act of 1966 for schools with a high percentage of needy children or with pupils who travel a long way to school. Congress appropriated \$2 million for the new breakfast program which is expected to reach more than 100,000 youngsters this school year.

What is the most effective way to determine what schools and child care institutions in my area are in the School Lunch or Special Milk Programs?

You can find out whether local schools are in the lunch or milk programs by asking your board of education superintendent's office. It's harder to get answers on local child-care institutions, because generally they are not all under one organization. They may be operated by churches, or various private non-profit groups, as well as by the public welfare department, and even the police department, as in the case of summer boys camps. If you are familiar with the organizational structure of the child-care facilities in your area, it would be best to get answers from those sources. Or you could write to the State Department of Education, which administers at least the public school child feeding programs in the State. For the private facilities you may have to contact the School Lunch Division, C&MS, U.S. Department of Agriculture, Washington, D.C. 20250.

How do I go about helping children I know are needy obtain a free or reduced-price lunch?

First talk to the principal of the school and ask him whether the school has a lunch program, then discuss the possibilities of free or reduced-price lunches for the children you know need help. Local school authorities determine which children get free lunches, based on their knowledge of family circumstances. Sometimes families are reluctant to ask for help and the principal may not learn about their plight.

If the school is not in the National School Lunch Program, you might discuss the possibilities of getting started in the program. You and local officials would then talk to the State Department of Education, asking about special school lunch assistance if you believe your school needs extra help to provide all the free or reduced-price lunches necessary.

If schools in my area are not in the school lunch or special milk programs, what should be my first approach to get them in?

First meet with the school authorities — the superintendent and/or principal — to get background on why the

program. If the trouble is financial, you might urge a meeting with the State Department of Education to learn more about help available to start a low-budget school lunch program. You could also help by drumming up support from local volunteer groups or businesses. Sometimes the need is for simple hot plates and a refrigerator; or for someone to help pay for lunches served free to needy youngsters; or for volunteers to help prepare and serve food.

If you find there is local opposition or indifference to the idea of a lunch program or Federal help, your first step may have to be a campaign to sell people the importance of school lunch for children, and the benefits of the national program.

If I know of a school or summer camp that is not in the school lunch or special milk program, what is the best way for me to get them in? Can a summer camp get into the lunch program?

For most schools — public or non-profit private — the school officials should contact the State Department of Education for information on the lunch and milk programs. Some States do not administer private school lunch and milk programs. In that case, write to School Lunch Division, C&MS, U.S. Department of Agriculture, Washington, D.C. 20250. They will tell you how to get a school into either program. Summer camps are a different matter. Nonprofit camps for children are eligible for the Special Milk Program and for food donations from the USDA, but are not eligible for the cash assistance of the National School Lunch Program. To get more information on food and milk programs for summer camps write to the Commodity Distribution Division, C&MS, U.S. Department of Agriculture, Washington, D.C. 20250.

I hear a lot about school lunches that kids don't like — say spinach or beets — who decides what will be on the plate each day?

The cafeteria manager of the local school lunch program plans the menus from day to day and week to

week, based on a broad outline supplied by the U.S. Department of Agriculture indicating the types of food that should be in every menu. The plan, allowing maximum flexibility to satisfy children's tastes, calls for a protein food, fruits and vegetables, bread, butter or margarine, and milk in amounts children need. Increasingly, schools are catering to young appetites with such favorites as pizza and lasagna, hamburger, fried chicken, spaghetti and hotdogs. Names like submarine sandwich, sloppy Joe and cheeseburger frequently appear on school lunch menus. Vegetables, like spinach and beets are important too, and not so unpopular with children as many think. Carefully introduced in small amounts at first, these and other vegetables have become regular favorites on many school lunch menus.

You mentioned that USDA donates only some foods to the lunch program. Where and how do the schools get the balance?

Most schools in the lunch program buy about 80 percent of the food used in their lunch programs in local markets. Federal cash helps out, but most of the support for the lunch program — about 60 percent — comes from children's payments. Needy children in schools in the national program receive their lunches free or at less than usual price.

Schools in poverty areas that are getting extra food and cash assistance through the National School Lunch Program are the exception to the general pattern of local food purchases. They get more donated foods than other schools, and more cash too. The rates vary from State to State but sometimes Federal help takes care of most all food costs. Even in these cases, however, schools use cash donations to buy food and milk locally.

I hear a lot about the price of lunches. Some people think because the Federal Government helps school lunch programs, it should be a free lunch program — Why do children have to pay and why do prices differ from school to school?

Local communities have always controlled the management and thus the finances of their schools and

the lunch services. The National School Lunch Program was established in this tradition to give Federal help to State and local programs. Lunch prices have always varied from area to area, depending on size of school, labor costs, food costs, and many other factors. Food and cash and technical assistance from the U.S. Department of Agriculture are to help serve lunches at the least possible cost to the children. Schools participating in the program must:

- Serve nutritious lunches following the Type A pattern established by USDA's Consumer and Marketing Service.

- Operate nonprofit lunch service for children.

- Serve all children, regardless of race, color or national origin.

- Provide free or reduced-price lunches for children who can't pay the regular price.

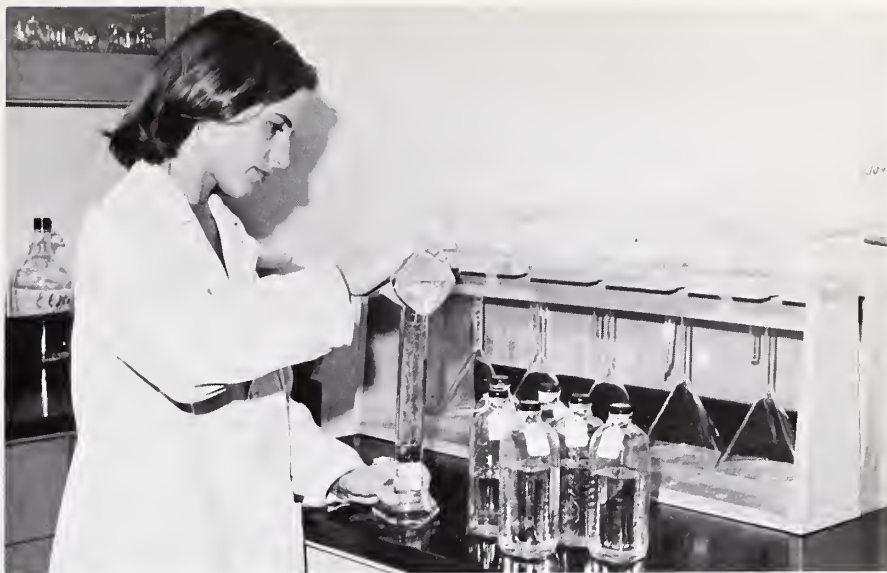
These provisions are perhaps even more appropriate today than they were in 1946 when the National School Lunch Act was passed. Most U.S. children can afford to pay a nominal fee for lunch. Increasing effort and money is being directed to providing nutritious lunches to needy children, particularly those in schools with no lunch service.

Nearly everything you have said is about lunch and milk — are they the same? And, are breakfasts available for kids who come to school hungry? How does a school secure help?

There are two separate programs — the National School Lunch Program and the Special Milk Program. The lunch program requires that at least one-half pint of milk be a part of each lunch. In addition, children in schools, charitable institutions and summer camps may be served milk alone under the Special Milk Program. Help on breakfasts is on the way, under the Child Nutrition Act of 1966, which provides for a small beginning of pilot school breakfast programs in 1967. Public and private schools should contact their State education department. If in doubt, write to: School Lunch Division, C&MS, U.S. Department of Agriculture, Washington, D. C. 20250.

Through research activity under their Federal marketing orders, crop growers are

MEETING MARKETING PROBLEMS HEAD-ON



Lab technicians pour a citrus peel solution for pesticide residue analysis (above), then purify and concentrate it so only the residue itself remains in solution (below).

CITRUS GROWERS IN CALIFORNIA and Arizona wanted to find out whether traces of pesticide residues on their fruit might pose a threat to future sales of their fruit in U.S. and foreign markets.

To learn the answer, they needed research. Under the ready-made authority for such projects in their Federal marketing orders, they signed a contract in 1963 with a commercial bio-chemical laboratory to do the necessary research.

Now in its fourth year, the project has yielded the kind of answers the growers sought. They have learned that the levels of pesticide residues on their fruit are within safe limits and within established U.S. tolerances. But the incidence of residues, they believe, merits their concern and action, particularly because of the very strict pesticide tolerances that Western European countries have been fixing for citrus imports.

Data from the research is enabling the laboratory to assist the California-Arizona citrus industry in developing a practical monitoring and surveillance program, to reduce the incidence of pesticide residues and to prevent high-residue fruit from entering marketing channels.

The research project is supported with funds from assessments collected under three Federal marketing orders — those for Navel oranges, Valencia oranges, and lemons produced in California and Arizona, as well as with funds from the California-Arizona Citrus League. Earlier stages of the project also received financing from the Federal marketing order for California-Arizona grapefruit.

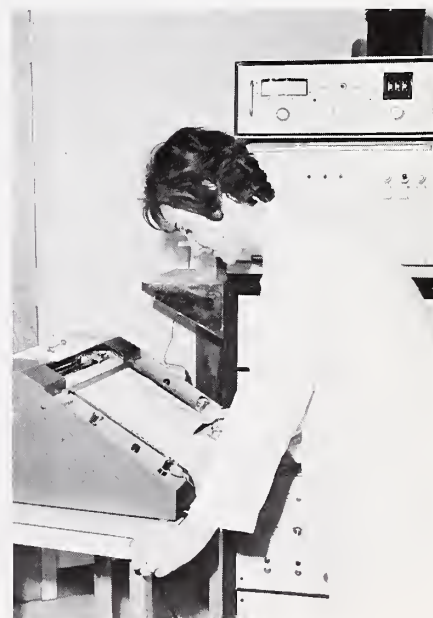
Federal marketing order and agreement programs are developed by the industries concerned, with assistance from specialists in the Fruit and Vegetable Division of the Consumer and Marketing Service, U.S. Department of Agriculture. Of the 48 fruit, vegetable, and specialty crop programs now in effect, each has the means for tailoring a crop to market demand. Industries usually accomplish this by regulating volume, quality, size, or all of these.

Nearly all the programs also have the authority for sponsoring marketing research projects to attack a broad range of problems. Such projects have included one to determine the effect of mechanical harvesting upon the storage life of Sweet Spanish onions, one to study the composition of dates as related to keeping quality, and others to expand markets for walnuts and Tokay grapes.

Among the most active currently is the pesticide residue project, enabling citrus growers in California and Arizona to take positive steps to make sure their fruit is absolutely safe for consumers, and thus eliminate any threat to potential markets.



After machine at right (below) identifies residue, recorder shows the types and amounts of each pesticide in the sample.



CONSUMER AND MARKETING BRIEFS

Selected short items on C&MS activities in consumer protection, marketing services, market regulation, and consumer food programs.

NEW C&MS PUBLICATIONS AND FILMS

The following publications have come off press since December 1966: MP-310, *The Classification of Cotton* (revised); MP-867, *Tobacco in the United States* (revised); PA-534, *The Food Stamp Program, A guide for Retailers and Wholesalers* (revised); PA-750, *School Lunches . . . A Billion-Dollar Market for Food*; Poster, *Know the Eggs You Buy* (revised). Single copies are available free by postcard request from Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250. Please order by number and title.

Available free from Information Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250 are AMG-52, *1967 Acreage Marketing Guides — Spring Vegetables and Melons*; AMG-53, *1967 Acreage Marketing Guides — Spring Potatoes*; C&MS-51, *National Food Buyers Quiz — Questions and Answers*; PMG-3, *1967 Turkey Marketing Guide*.

MRR-776, *Packer Feeding of Cattle — Its Volume and Significance* (25c), and PA-631, *Quantity Recipes for Type A School Lunches* (\$4.00) (slightly revised) may be ordered from Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

Please include your zip code with your publications requests.

Three new films are available with Spanish language sound tracks for free distribution from the U.S. Department of Agriculture. The films cover a wide range of

Consumer and Marketing Service activities:

— *It Happens Every Noon* is a 13-minute color motion picture that tells how communities can go about starting a school lunch program and illustrates the need for children to have a nutritious lunch. Scenes were filmed in city, suburban, and rural schools, ranging in enrollment from 20 to several hundred students.

— *Packers and Stockyards Act* is a 4-minute black and white film that shows livestock producers how they are protected from unfair trade practices.

— *Hands That Serve* shows how food shoppers can use the knowledge and skills of many experts when they use USDA grades as quality guides. The film is black and white, 4-minutes in length.

All of the films are 16 mm, sound-on-film and have been cleared for television use.

Address requests for *It Happens Every Noon* to USDA, Office of Information, Motion Picture Service.

Requests for the other films should be addressed to USDA, Consumer and Marketing Service, Information Division.

Please indicate the date you want the film and an alternate date.

PLENTIFUL FOODS FOR MARCH

March winds signal continued fair weather for the food shopper. This year's bumper crops of fresh oranges and grapefruit will continue in seasonal plenty at reasonable prices. Eggs come to the top of the list as a March protein bargain. According to C&MS commodity specialists egg production in early 1967 was running about 3.5 percent higher than a year earlier and would likely remain up through March.

Peanuts and peanut products also take a top feature spot among March plentifuls. This high-protein crop hit a new production record in 1966 — with a harvest of some 1,214 thousand tons, about 25 percent above the recent 5-year average.

Other March plentifuls include: pork, rice, green split peas and canned salmon. Latest reports show that 8 to 10 percent more hogs are likely to be marketed in March than a year ago.

Rice production in 1966 hit a record 85.1 million hundredweight, so prospects are good for plenty of this valuable grain food at reasonable prices. Last year's green split pea crop produced heavy yields per acre, with large quantities in storage waiting for the soup kettle. Large storage holdings of canned salmon mean plenty of the red and pink varieties for economical Lenten menus, according to the Bureau of Commercial Fisheries.

FOOD STAMP NEWS

The Wisconsin Food Dealer, official publication of the Wisconsin Association of Food Dealers, reports as follows: "In Milwaukee County, where the Food Stamp Program has been operating since January 1, 1966, surveys show that 56 percent of the food coupons were spent in independent retail food stores."

The Wisconsin publication goes on to say that this amount "could be improved if retailers would take the time to explain the program to their customers. And keep in mind the stamps are the same as cash; all banks accept them and your account is credited immediately upon deposit."

FOOD FOR THE HUVASUPAI

Picture fifteen mules carrying 1,156 pounds of U.S. Department of Agriculture food to the Grand Canyon's floor. And on the floor, picture 70 or so Huvasupai Indians receiving the food and enjoying its benefits, just like millions of other Americans, who need a helping hand from time to time.

This is one of the unusual activities involved in programs administered by USDA's Consumer and Marketing Service.

Behind this unique operation is the usual story of Federal-State-local cooperation. USDA furnishes the food — from stores acquired in its price-support and surplus removal activities.

The Mohave County, Arizona, welfare director goes down into the Canyon on horseback to perform the routine certification chores. The State of Arizona delivers the USDA food to Peach Springs, Arizona. And the Bureau of Indian Affairs, U.S. Department of the Interior, takes it from there to the Canyon's rim where it is loaded on the mules for the descent to the Canyon's floor.

The Huvasupai are among nearly 4 million people who have been receiving donated foods recently.

51 YEARS LATER — HAMMOND, LA.

In 1915, an inconspicuous piece of paper was tacked up on the wall of a log building in Hammond, La. This piece of paper was a report on strawberry prices in far-off Chicago. It was also the first official market news report.

And this report begot millions more. What was started 52 years ago in Hammond, La., has become a nationwide network of market news reports on prices, supply, and demand for most agricultural commodities — not just strawberries.

An office was maintained in Hammond for 38 years, but in 1953 it was moved elsewhere — for economy reasons — and the Hammond market was covered by phone.

Last year, the Federal-State Market News Service moved back to Hammond with a new field office — to cover strawberry market news.

A homecoming, you might call it.

FOOD TIPS

from USDA's Consumer and Marketing Service

TRY A RIB ROAST

Planning a special dinner or expecting company? Try a USDA Prime or Choice standing *rib roast*. This roast which is tops in flavor and tenderness is also one of the easiest to carve and serve.

Remember, rib roasts should be cut at least two ribs thick for proper cooking. Buy at least a pound for each two servings.

WHEN YOU BUY CHICKEN

When you buy *chicken* look for the USDA grade shield on the label, wing tag, or package insert. A U.S. Grade A chicken is meaty and attractive in appearance. The label will also provide a clue as to the cooking method for your chicken. Those labeled broiler or fryer or young chicken can be broiled, fried, barbecued or roasted. Those labeled fowl or stewing hen are the more mature birds and should be stewed or steamed. They are good, too, for use in soups and salads.

SPICE IT WITH ONION

Put some spice in your life — with *onions*. USDA's Consumer and Marketing Service sets U.S. standards for grades of onions (U.S. No. 1 is the highest grade) but the grades do not always appear on consumer packages. When seeking the highest quality, look for onions that are clean, bright, well shaped and firm with dry skins. Avoid onions that are poorly shaped, thick necked, or those that show discoloration, sprouting, or moldy areas.

ORANGE JUICE

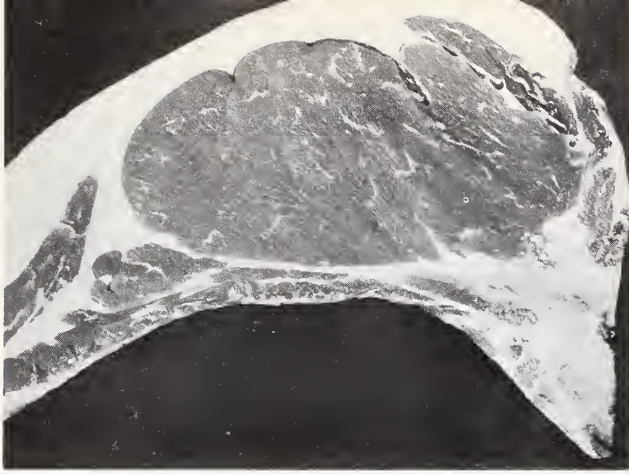
Start the day with a big glass of orange juice made from *frozen concentrated orange juice*. It tastes good and it's an important source of vitamin C. Food specialists with USDA's Consumer and Marketing Service make a quality inspection on more than 95 percent of all frozen concentrate. They check the processing plant conditions under which the concentrate is prepared and packed to assure a clean and wholesome product. They also grade the concentrate for color, flavor and freedom from defects. It's a good buy, too.

IT'S ON THE LABEL

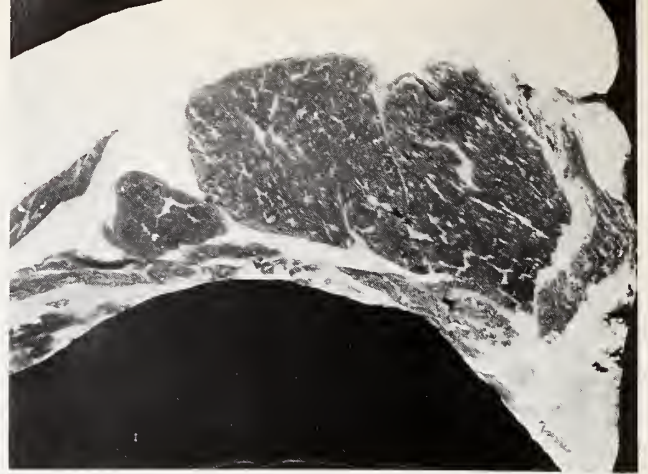
Federal meat inspectors must approve for wholesomeness and truthful labeling all meat products produced in plants doing business in interstate commerce. A fresh pork sausage type product containing tomato puree was required to be treated for possible trichinae since the addition of the red color to the product would interfere with the consumer's ability to tell when the product was thoroughly cooked. In addition, USDA also advised the firm that since tomato puree is not a usual product in sausage, an appropriate product designation would be "Pork and Tomato Puree Stick."

WHO'S ELIGIBLE?

People who aren't on welfare can get food stamps! The Food Stamp Program is for families whose low income limits their ability to get adequate diets.



Beef rib—Yield grade 2.



Beef rib—Yield grade 4.

MORE BEEF for the BUCK

USDA yield grades give an accurate index of the amount of salable beef that can be cut from a carcass—to help producer, packer, retailer, consumer get the kind of beef they want.

THE KIND OF BEEF YOU want—whether you're a consumer, a retailer, a packer, or a producer—is tender, juicy, and flavorful, but with little waste fat.

Beef that meets this description can be bought. And it can be a money-saver.

Take the case of Mr. J., an Iowa retailer. He sells 30,000 pounds of closely trimmed retail cuts of beef each week. There was a time when that meant he had to buy about 40,000 pounds, carcass weight, and trim off about 8,000 pounds of fat. (In addition, he had about 2,000 pounds of bone trim and shrink.) This waste fat, which he bought at meat prices, he sold at beef tallow prices.

Now he's saving a tidy sum each week by buying only carcasses that have been yield graded—an optional service available from the U.S. Department of Agriculture along with quality grading. Yield grading, developed by USDA's Consumer and Marketing Service after 15 years of research, has been available for industry use for about a year and a half.

Yield grades give an accurate index of the amount of salable beef that can be cut from a carcass. There are

five grades, ranging from Yield Grade 1, which indicates the highest yield, to Yield Grade 5, the lowest. Yield grades are based on four factors—the thickness of fat over the ribeye, the area of the ribeye muscle, the amount of kidney and other internal fat, and carcass weight—which were found to be closely related to the amount of meat a carcass will yield.

Says Mr. J., "At today's prices, I've found that a USDA Choice Yield Grade 2 carcass is worth about \$42 more than a USDA Choice Yield Grade 4."

He explains it like this: currently USDA Choice, 600-pound carcasses sell for about \$40 a hundredweight, or \$240 apiece. USDA figures show that at this price level the difference in value between Choice carcasses of adjacent yield grades—based on differences in yield of salable meat—is about \$3.50 per hundredweight. The value difference between a Yield Grade 2 and Yield Grade 4, therefore, would be \$7.00 per hundredweight, or a total of \$42 for 600-pound carcasses.

"In an operation like mine," Mr. J. says, "it's not hard to see what this can mean in savings. I have found that

value differences of \$40 between USDA Choice carcasses are not unusual, and differences of \$25 to \$30 are quite common. So I buy to take advantage of this fact. Then, too, purchasing yield graded carcasses enables me to figure exactly how much meat I'll be able to cut from each carcass, how many to buy, and what my average cost will be per hundred pounds of retail cuts. And I don't have to do all that trimming I used to do."

"I suppose," he continues, "that before long packers will be pricing beef carcasses more in line with their actual value—and I will have to pay more than the \$1.00 per hundred-weight premium I now pay for those with a higher yield. In other words, I will be paying exactly what each carcass is worth. But I'll still have the advantage of knowing just how much meat I can expect to cut from each carcass and being able to figure my costs accurately."

Yield grades, of course, are designed to serve everyone, from producer to consumer. Buyers and sellers can use them, like quality grades, and together with quality grades, as an aid in shipping beef over long distances, as a pricing tool, and as a control over

the kind of beef—and beef cattle—bought and sold.

They will, obviously, have to prove their value to the industry, since their use is strictly voluntary.

Because yield grades provide a means of identifying value differences, their use in buying and selling could provide the hard-cash financial incentive to increase the production of top quality beef—thickly muscled carcasses with high quality lean and a minimum of waste fat.

Long-range breeding programs aimed toward the production of such meat-type cattle, it is estimated, could cut back the production of waste fat by a third. This could result in savings, nationally, of something like \$130 million a year—one-third of the amount now paid for waste fat trimmed from beef carcasses and not recovered through its sale as a byproduct. Such savings would benefit both producers and consumers.

Cattlemen are working toward this goal. They are making increasing use of USDA's Carcass Evaluation Service, through which they can identify which cattle produce the more valuable carcasses. In this program, detailed information is provided applicants on how each carcass rates on such yield grade factors as fat thickness over the ribeye, area of the ribeye muscle, and amounts of kidney and other internal fat. In addition, information is also provided on quality grade factors such as the degree of marbling, maturity, conformation, etc.

The steady growth of yield grading since it was made available for industry use in June 1965 shows that producers, feeders, packers, and retailers are gradually becoming aware of the vast economic importance these grades can have.

During September 1965, 13½ million pounds of beef were yield graded. In the months since then, the volume yield-graded has more than doubled—this past November more than 35½ million pounds of beef were yield graded.

While this is still a small proportion of the quantity of beef graded — currently around 950 million pounds per month — it represents a growing awareness of what this still-new service has to offer those in the beef business.

1966 FLUE-CURED TOBACCO BRINGS RECORD-HIGH PRICE

UNITED STATES GROWERS OF flue-cured tobacco enjoyed a banner year in 1966, when prices for their product set new records.

Greatly improved quality was the major factor in bringing about the record prices for the 1966 crop, according to the Tobacco Division of USDA's Consumer and Marketing Service. This Division grades and reports market prices for all tobacco sold through auction markets — approximately 95 percent of the entire tobacco crop.

Auction sales of the 1966 flue-cured tobacco crop opened with prices at record high levels and this trend continued through most of the marketing season. A record average price of \$66.80 per hundred pounds was paid for the crop, topping the previous high of \$64.65 during the 1965 season. Flue-cured growers received a total of \$738 million for their product in 1966.

This was the second crop produced under the new acreage-poundage system of production control. The program was designed to help reduce a large surplus of flue-cured tobacco and to improve the quality of the leaf. Based on current supply and disappearance figures, inventories have indeed been reduced and C&MS tobacco graders report that the quality of the two crops — 1965 and 1966 — has shown great improvement over immediately preceding crops.

A significant highlight of the marketing season was the large amount of tobacco sold in "untied" form or as loose leaf. Prior to 1962 only one flue-cured area sold tobacco in this manner, the other regions selling their tobacco in small "hands" or bundles. The untied method of selling has become very popular during the past few years. This year 43 percent of the crop in the flue-cured

area was sold as loose leaf — even though the government support price was 3 cents per pound less than for tied tobacco.

Many farmers, however, resorted to selling untied tobacco because of the cost of the hand-labor necessary to prepare it in tied form and because of a scarcity of labor. To accommodate them, the Government, for the first time, made all grades of loose leaf tobacco eligible for government loan and extended by 5 days the period for selling untied tobacco under price supports.

Producers and manufacturers anticipate a considerable increase in loose leaf selling in future years and the impact will be felt throughout the industry. Some processing plants will require new machinery, because different type machines are used for processing untied tobacco than for tied. It takes more time to process loose leaf tobacco. All moisture is dried from the tobacco, and then a predetermined amount of moisture has to be returned to the tobacco before it is put in the hogshead for storage. Another important consideration is the export market since a number of overseas customers prefer tied tobacco.

More flue-cured is grown in the United States than any other single type of tobacco. Annual production exceeds a billion pounds, accounting for more than half the total production of all types of tobacco.

Used principally in cigarettes, flue-cured tobacco is also found in most pipe blends. It is also a major export product — approximately 517 million pounds was exported in 1966 at a trade value of \$390 million, to Great Britain, West Germany, Japan and other countries. Exports in 1966 showed an increase of approximately 23 percent over 1965.

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OFFICIAL BUSINESS

Can School Lunch Prices "Hold the Line"?

With costs rising and government contributions constant, school lunch managers are struggling to continue serving nutritious lunches to children at lowest prices.

How do you "hold the line" on school lunch prices when costs of food, labor and services go up? This is the plea of school lunch managers everywhere, who are dedicated to the task of serving nutritious lunches for children at lowest possible cost.

Schools operating lunch service under the National School Lunch Program get some U.S. Department of Agriculture help, but by far the major single source of income has always been the payments by the children for their lunches. Last year, on a nationwide basis, children's payments amounted to 57 percent of total program costs, State and local funds contributed some 22 percent, and the cash and food donations administered through the C&MS School Lunch Division accounted for the remaining 21 percent.

With the Federal and State contributions remaining fairly constant this year, school lunch managers have been faced with two alternatives to meet rising costs: redouble efforts to find new ways of economizing or increase the price of the lunches.

Raising lunch prices often leads to worse financial trouble when the lunch program subsequently loses a large proportion of its customers. One State school lunch director put it this way, "If you are serving 700 children a day at a charge of 30 cents, your cash income is \$210. If the charge goes up to 35 cents and 200

children drop out of the program, your daily income would drop to \$175. Operating overhead costs would likely remain the same. Then where would you be?"

During the first half of this school year, the problems of school lunch managers were complicated by a drop in the value of donated foods from USDA, when the balance between commercial supply and demand for farm products was such that USDA did not receive sufficient offers under its surplus removal and price support operations. In late fall, purchases under these programs increased, however, and substantial supplies of donated foods are now being delivered to schools. Effective use of these foods means substantial savings on local costs of school food services.

At the end of 1966, reports from State educational agencies showed that a majority of schools — about two-thirds — had succeeded in holding the lunch price line. Here's how some of them did it:

- To help ease the cost-price squeeze, schools are making every effort to tighten management, make better use of labor, cut costs where possible. They're devoting more attention to detailed planning, pre-costing menus, careful food buying. At least one group of metropolitan area schools is getting together to consider standardizing their buying habits so

that area food dealers can avoid custom ordering for individual schools and stock a limited series of standard items for all schools in the area. Hopefully this approach may lead to significant savings on food bills and may later be applied to buying equipment.

- Many schools continually strive to increase student participation in the lunch program. Higher volume means greater cash income and, when coupled with tighter management, can give tremendous boost to the budget. School lunch managers can and do wage highly successful advertising and public relations campaigns with their student customers. One such manager of a high school program, who takes every opportunity to tie in with teaching programs, special events, and student committee projects, boasts a student participation rate of 89 percent. To keep her customers sold on the lunch program, she maintains high standards of food service, with appealing nutritious lunches at the right price.

- Costs of adult lunches — for teachers and other staff — can often be adjusted to help defray higher expenses. Some schools have found they were actually losing money by not charging enough for adult lunches. The price should be at least 10-12 cents above the student rate, since there is no Federal assistance for these meals.